GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4013
ANSWERED ON:09.08.2002
DIVERSION OF FUNDS BY COMPANIES
MD ANWARUL HAQUE;RAGHUVANSH PRASAD SINGH

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inspection report of Department of Company Affairs has taken note of diversion of about 300 crore rupees by various Tayal Group of companies;

(b) if so, the details thereof;

(c) whether it is also a fact that the Department of Company Affairs has imposed a penalty of Rs.58,000/- on this company to close the matter so investigated despite the fact that the money of about 300 crores had not been brought back; and

(d) if so, the rational behind imposing a small penalty against 300 crores involved in the affairs?

Answer

MINISTER OF FINANCE & COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a) & (b) The Department of Company Affairs has conducted inspection of six companies of Tayal Group under Section 209A of the Companies Act, 1956. Various offences under the Companies Act were reported, including offences under Section 295, 370 and 372 which relate to loans and investments.

(c) & (d) 44 offences have been compounded for a sum of Rs. 4,15,800.